



# State of Utah

## Department of Natural Resources

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas & Mining

JOHN R. BAZA  
Division Director

JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

#### Representatives Present During the Inspection:

Company Vicky S. Miller Environmental Specialist

OGM Pete Hess Environmental Scientist III

## Inspection Report

Permit Number:	C0070039
Inspection Type:	PARTIAL
Inspection Date:	Monday, November 20, 2006
Start Date/Time:	11/20/2006 10:20:00 AM
End Date/Time:	11/20/2006 2:30:00 PM
Last Inspection:	Tuesday, October 31, 2006

Inspector: Pete Hess, Environmental Scientist III

Weather: Clear, warm; 40's F.

InspectionID Report Number: 1142

Accepted by: whedberg  
11/28/2006

Permittee: **CANYON FUEL COMPANY LLC**

Operator: **CANYON FUEL COMPANY LLC**

Site: **DUGOUT CANYON MINE**

Address: **PO BOX 1029, WELLINGTON UT 84542**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

#### Current Acreages

9,471.00	Total Permitted
57.75	Total Disturbed
	Phase I
	Phase II
	Phase III

#### Mineral Ownership

- ☒ Federal  
☒ State  
☐ County  
☒ Fee  
☐ Other

#### Types of Operations

- ☒ Underground  
☐ Surface  
☐ Loadout  
☐ Processing  
☐ Reprocessing

#### Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Permittee is current relative to the submittal of surface and ground water monitoring information to the Division electronic data base. The Special Permit Condition which is included in Attachment "A" the current State permit is being met.

There are no pending compliance actions for the Dugout Canyon Mine permit area.

Inspector's Signature: \_\_\_\_\_

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Date Monday, November 20, 2006

**Note:** This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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Permit Number: C0070039  
 Inspection Type: PARTIAL  
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## Inspection Continuation Sheet

Page 2 of 4

### REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
  - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
  - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**4.b Hydrologic Balance: Sediment Ponds and Impoundments**

The Permittee provided the Division with copies of the third and fourth quarter impoundment inspections for the two impoundments associated with the Pace Canyon fan portal facility. A UPDES permitted catch basin treats disturbed area runoff, prior to it entering Pace Creek. A small basin at the toe of the soil storage pile on the north end of the Pace Canyon facility treats any runoff reporting to it via total containment. There were no compliance issues noted relative to either of these impoundments this day..

**4.c Hydrologic Balance: Other Sediment Control Measures**

The silt fences which were inspected this day appeared capable of functioning as designed.

**4.d Hydrologic Balance: Water Monitoring**

Pace Creek was flowing beneath its frozen surface. The elevation of the water in the Mine site pond was approximately thirty inches below the primary discharge elevation.

**4.e Hydrologic Balance: Effluent Limitations**

Ms. Miller discussed the possibility of using salt on the waste rock site access road for safety reasons. The Division suggested that the Permittee contact Mr. Jeff Studenka relative to the storm water permit which is in place at this site. It is believed that salt storage and usage would be covered under the permitting of that document.

**7. Coal Mine Waste, Refuse Piles, Impoundments**

The Permittee has received a conditional approval for an expansion of the refuse pile facility, (Task ID #2550). The expansion will increase the available waste storage acreage from 5.7 acres to 12.25 acres. The Permittee has found it necessary to move the gate required by 30 CFR 77.214(d). The new location is further inby, allowing a flat area where truck operators can set their brakes and exit the vehicle to gain access. The disturbed area perimeter fence remains unchanged.

**10. Slides and Other Damage**

A failure of the sandstone escarpment immediately northwest of the Pace Canyon air shaft damaged the security fence and the Hilfiker wall as it rolled down the slope. A boulder landed close to the fan duct housing over the shaft; no damage occurred to the fan. The Division does not see a need to remove this boulder. Several smaller boulders also exist. The Permittee has hired a contractor to repair the fence.

**11. Contemporaneous Reclamation**

The Permittee's contractor has roughened the access road to degasification well G-3. Seeding of this area is on the "To Do" list.

Permit Number: C0070039  
Inspection Type: PARTIAL  
Inspection Date: Monday, November 20, 2006

**Inspection Continuation Sheet**

**Page 4 of 4**

**14. Subsidence Control**

The Permittee has completed the repair of the subsidence cracks associated with degasification well G-7.

**16.a Roads: Construction, Maintenance, Surfacing**

The Permittee's contractor (Nielson Construction) has completed the new grade requirements for the waste rock site access road (permitted via Task ID #2577). The travel width has been black topped.

**18. Support Facilities, Utility Installations**

The Permittee's drilling contractor has completed the degasification well bore designated as G-9B. Ms. Miller indicated that the drillers would be off of the Roan Cliffs by November 21, 2006.